(a) whether Government or ONGC have made any allotment of fund for the gas-based thermal power project at Palatana in Tripura for the year 2006-07;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) the details of the problems due to which power project of Monarchak of Tripura has been abandoned abruptly in a state of satisfactory progress of woks incurring several crores of rupees; and

(e) by when the project of Palatana is scheduled to generate power?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) to (c) ONGC have informed that they have made a budgetary provision of Rs. 106 crores for the financial year 2006-07 for the 1100 MW combined cycle power plant at Palatana in Tripura.

(d) In view of the fact that the 1100 MW Combined Cycle Gas Plant is being installed at Palatana in Tripura, by the joint venture of IL&FS, ONGC and Government of Tripura, which is near to the proposed Monarchak project of NEEPCO as also due to issues relating to availability of gas for the Monarchak plant, on the advice of the Ministry of Finance, it has been decided to keep in abeyance the Monarchak project of NEEPCO. Moreover, there are sufficient alternate options for supplying power which are more attractive.

(e) ONGC has informed that the project at Palatana is expected to be commissioned during Eleventh Plan period.

Power generation capacity in the country

3905. SHRI THANGA TAMIL SELVAN: Will the Minister of POWER be pleased to state:

(a) the break up of power generation capacity in the country on the basis of method of generation such as hydel, thermal, nuclear and so on;

(b) the method on which the unit price of electricity is calculated; and

(c) whether Government will consider giving electricity at concessional rate of States that give free/subsidized power for agriculture?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) The Sector-wise power generation capacity in the country during the year 2005-06 is given below:

Thermal	82,410.54 MW
Nuclear	3,360.00 MW
Hydro	32,325.77 MW
Renewable Energy Sources	6,190.86 MW
TOTAL:	1,24,287.17 MW

(b) and (c) Fixation of power tariffs of distribution licensees is the statutory function of the State Electricity Regulatory Commissions (SERCs). As per the provisions of the Electricity Act, 2003, the SERCs have powers to fix tariff for sale of electricity to various categories of consumers. In doing so they are guided by the provisions contained in section 61 of the Act which, *inter alia,* include the factors that would encourage competition, efficiency, economical use of resources, safeguarding of consumers interests and at the same time ensure recovery of cost of electricity in a reasonable manner. The SERC is required to determine tariff in a transparent manner after taking into consideration the viewpoint of various stakeholders.

As per the provisions of the Electricity Act, 2003 the State Electricity Regulatory Commissions (SERCs) have the powers to fix tariff for sale of electricity to consumers including farmers in the State.

Section 65 of the Act provides that if the State Government requires the grant of any subsidy to any consumer or class of consumers in the tariff determined by the State Commission, the State Government shall pay to the concerned Utility/Licensee the full amount required to compensate the grant of subsidy.

Government of India has notified Tariff Policy under the provisions of the Act. The Policy states the extent of subsidy for different categories of consumers can be decided by the State Government keeping in view various relevant aspects. But provision of free electricity is not desirable as it encourages wasteful consumption of electricity besides, in most cases lowering of water table, in turn creating avoidable problem of water shortage for irrigation and drinking water for later generations.